

TITLE 89: SOCIAL SERVICES
CHAPTER V: ILLINOIS PURCHASED CARE REVIEW BOARD

PART 900
ILLINOIS PURCHASED CARE REVIEW BOARD

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AUTHORITY: Implementing and authorized by Section 14-7.02 of the School Code [105 ILCS 5/14-7.02].

SOURCE: Filed May 8, 1979, effective May 18, 1978; amended at 4 Ill. Reg. 9, pp. 241, 244 and 247, effective February 15, 1980; amended at 5 Ill. Reg. 4171, effective April 7, 1981; amended at 5 Ill. Reg. 5633, effective May 15, 1981; amended at 5 Ill. Reg. 9095, effective September 1, 1981; codified at 6 Ill. Reg. 12452; amended at 7 Ill. Reg. 6079, effective May 4, 1983; amended at 9 Ill. Reg. 9551, effective June 10, 1985; amended at 11 Ill. Reg. 20552, effective December 8, 1987; amended at 16 Ill. Reg. 5311, effective March 23, 1992; emergency amendment at 19 Ill. Reg. 13590, effective September 25, 1995, for a maximum of 150 days; emergency expired February 21, 1996; amended at 28 Ill. Reg. 7242, effective May 5, 2004.

Section 900.110 Applicability and Purpose; Severability

- a) This Part applies to the activities of the Illinois Purchased Care Review Board, established pursuant to Section 14-7.02 of the School Code [105 ILCS 5/14-7.02] in determining the allowable costs of, and payments to be made by school districts for, special education services provided to students with disabilities whose needs districts cannot meet in the programs they offer. The rates determined pursuant to this Part shall also apply to payments made by State agencies that are financially responsible for residential or educational services to school-aged individuals with disabilities.

- b) Should any rule, subdivision, clause, phrase, or provision of this Part be held unconstitutional or invalid for any reason whatsoever, such holding shall not affect the validity of the remaining portions of this Part.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.310 General Provisions Relating To Determining Allowable Costs

- a) The Illinois Purchased Care Review Board (Board) approves costs for providers of special educational and related services and also room and board for children whose educational needs, because of their disabilities, cannot be met by the special education program of the district in which they reside.
- b) Each program is subject to prior approval of the Illinois State Board of Education (ISBE).
- c) Providers must comply with the minimum educational standards as found in the rules of the State Board of Education regarding Nonpublic Special Education Facilities (23 Ill. Adm. Code 401).
- d) A “provider” is any organization that offers special education and/or residential services to students with disabilities under Section 14-7.02 of the School Code.
 - 1) A “facility” is the physical premises where a provider offers services.
 - 2) A “program” is a set of special education services designed to serve students who have similar educational needs.
 - 3) A “private for-profit provider” is one that is registered as for-profit by the Secretary of State in the provider’s principal location and recognized as a for-profit entity by the Internal Revenue Service.
 - 4) “Organization” or “organizational” pertains to the business and administrative structure of an entity that serves as a provider under this Part.”
- e) “School health services” are those direct or indirect services normally associated with the function of a school nurse, limited to health counseling, health education, personal hygiene/grooming, first aid/emergency care, administration and monitoring of medications, safety, and health protection (prevention) services provided by licensed, registered, or certified nurses or other non-physician health care professionals employed by a nonpublic special education provider for the purpose of serving students placed in such facilities and those services required by the students' Individualized Education Programs (IEP).
- f) “Occupancy costs” are those costs associated with the operation and maintenance of the physical plant, and all depreciation, all lease or rental, and all interest.

- g) “Support costs” are those costs normally associated with the provision of food and dietary services, laundry services, housekeeping services, and other costs associated with the provision of domestic services, including salaries, wages, fringe benefits, and supplies used in providing such services.
- h) “Administrative costs” are those costs normally associated with the overall organizational leadership and direction of the various program service entities within the provider’s organization. Such costs include salaries, wages, fringe benefits and supplies related to executive officers and assistants, clerical and bookkeeping staff and other costs and fees associated with organizational leadership and direction.
- i) When a provider purchases goods or services from a related organization, the cost of the goods or services shall be allowable only to the extent that it does not exceed the cost to that related organization. That is, a provider may not build a profit for a related organization into its cost structure. A “related organization” is one that:
 - 1) directly or indirectly controls, or is controlled by, the provider; or
 - 2) influences, or is influenced by, the provider in terms of financial and operational policies; or
 - 3) is controlled or influenced by another organization that also controls or influences the provider.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.315 Effective Dates of Rate Determinations

In each instance when the Board determines the rate of reimbursement applicable to a particular program, the Board shall identify the effective date of the rate. A rate for room and board placement only, other than a rate changed on appeal (see Section 900.343 of this Part), shall be effective from September 1 through August 31. A rate for tuition and room and board, other than a rate changed on appeal, shall be effective at the beginning of the affected school year, as reflected on the calendar filed by the provider with the State Board of Education pursuant to 23 Ill. Adm. Code 401.10 (Application for Eligibility) or the date on which the program was approved.

(Source: Added at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.320 Cost Reports-General Requirements

- a) The Board shall require the annual filing of an attested cost report on such financial schedules as the Board may prescribe. Attested cost reports shall convey information on those items of cost defined as nonallowable in Section 900.321, as well as those defined as allowable in Section 900.322, and shall attribute allowable costs to special education, related services, or room and board. The time period covered by this report must correspond with the provider's fiscal year. Whenever possible, the Board will accept cost reports filed with other State agencies as fulfilling this requirement. Cost reports submitted to the Board for purposes of determining allowable costs must be accompanied by a certified audit for the most recently ended fiscal year unless this requirement is waived by the Board.
- b) The Board may waive the requirement for a certified audit and/or for a cost report when it deems either of these to be unnecessary; for example, if:
 - 1) the number of pupils placed with a provider by Illinois school districts totals fewer than six;
 - 2) the rate for an out-of-state provider is not negotiable according to law or rules in that state; or
 - 3) the provider's annual operating budget is very low.
- c) Unless prior arrangements for an extension of the deadline are made with the Board due to extenuating circumstances (such as unexpected loss of key personnel, inadvertent destruction of records due to fire or flooding, bankruptcy, etc.), this report must be filed by the latter of either January 15 or 90 days after the end of the provider's fiscal year.
- d) Financial data must be reported using the accrual basis for accounting, unless prior arrangements are made with the Board.
- e) The Board may request such additional financial information as is necessary to fulfill its duties. Circumstances that would cause the Board to request additional information include, but are not limited to, substantial revisions in the provider's program or substantial changes in the population served by the provider. This may include requiring a provider to submit a certified financial statement if the Board determines that such a statement is needed.

- f) Providers shall cooperate in audits undertaken to verify the truth, accuracy and completeness of reported costs.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.321 Non-Allowable Costs and Revenue Offsets

- a) Non-allowable costs. The following shall be considered non-allowable or non-reimbursable costs:
- 1) Medical care provided by licensed physicians and therapy services provided by psychiatrists, except for their diagnostic or evaluation services and consultation to education staff; licensed dentists, except for diagnosis or evaluation and consultation to education staff; other health or medical personnel, including nurses, except as they are providing school health services, as defined in Section 900.310(e); and other medical personnel involved in the provision of ongoing medical care. Nursing services necessary to meet State child care licensing requirements are allowable.
 - 2) Supplies used by the medical care personnel listed in subsection (a)(1) of this Section in carrying out activities that are not reimbursable.
 - 3) Overhead costs incurred by the medical care personnel listed in subsection (a)(1) in the provision of services that are not reimbursable.
 - 4) Expenses resulting from transactions with related organizations that are greater than the expense to the related organization.
 - A) Where the provider makes rent/lease payments to a related organization, as defined in Section 900.310(i) of this Part, rent/lease expense is disallowed and the capital costs of the related organization must be used.
 - B) Interest expense paid to a related organization is disallowed. However, interest expense incurred by the related organization is allowable.
 - C) The cost of goods and services purchased from a related organization shall be allowable to the extent that the cost to the provider does not exceed the cost to the related organization.
 - D) Providers may be required to submit evidence to substantiate or refute any claim of relatedness in determining allowable costs.
 - E) Providers shall identify all transactions with related organizations in their annual filing of the cost report.

- F) Allowable costs of related organizations shall be added to the provider's costs for the same cost centers for determination of reasonable cost standards applicable to the provider's costs.
- 5) Non-straight-line depreciation. (However, straight-line depreciation is an allowable cost.)
 - 6) Research cost, other than costs for program evaluation.
 - 7) Bad debt.
 - 8) Special benefits to owners, including owner and keyman life insurance, except insofar as required by lending institutions.
 - 9) Compensation to non-working owners and non-working officers' salary.
 - 10) Discounts, rebates, allowances and charity grants.
 - 11) Entertainment expenses.
 - 12) Fund raising.
 - 13) Costs of production, including wages paid to students, incurred solely for the purpose of generating revenue from the sale of goods and services. Wages paid to students and other services approved by the State Board of Education for vocational training or educational arts and craft activities are allowable, even if they generate revenue.
 - 14) Interest payments related to a provider's assets that are unrelated to a special education program.
 - 15) Costs incurred by owners or boards of directors for non-program activities, including that portion of overhead that should be allocated to these activities.
 - 16) Printing expenses not related to the program.
 - 17) Travel, lodging, food and registration expenses to attend conferences, conventions, and meetings related to lobbying activities, association business, or entertainment. Costs to attend conferences and conventions held in-state, or within 50 miles of the state where the attendee is employed, are allowable under the following conditions:

- A) The conference or convention is specifically related to special education, or the conference, convention or meeting was sponsored by the State.
 - B) Allowable conference and convention expenses shall be grouped under administrative costs and subject to the administrative ceiling, in accordance with Section 900.330(b)(1) of this Part.
 - C) Allowable employee development or training costs incurred to meet staff certification or licensure requirements of any State agency or other governmental unit may be reported under program costs.
- 18) Dues to national, State and parent organizations.
 - 19) Scholarships or awards and grants to individuals.
 - 20) Fees for professional, technical, social or other organizations unrelated to the program.
 - 21) Nonclient transportation, including staff transportation to and from work. Program-related staff transportation is an allowable cost.
 - 22) Meals provided to individuals who are not clients.
 - 23) Interest on loans among intra-organizational funds.
 - 24) Fines and penalties.
 - 25) Mortgage and loan principal payments.
 - 26) Contributions and donations by the provider.
 - 27) Asset acquisition costs. (That is, costs of items reported on the provider's books when those costs exceed \$500 for items having a life of one year or more. Depreciation for these items is, however, an allowable expense.)
 - 28) Contingencies.
 - 29) Legal expenses incurred on behalf of clients for non-program activities or for litigation against governmental agencies.

- 30) Imputed value of goods and services.
 - 31) Severance pay.
 - 32) Sales tax for not-for-profit organizations.
 - 33) Income tax.
 - 34) Student transportation to and from the provider's program, as a responsibility of the placing school district, reimbursable under Section 14-13.01 of the School Code [105 ILCS 5/14-13.01].
 - 35) Clothing and allowances.
 - 36) Costs of advertising for clients and public relations.
- b) Private contributions and non-governmental revenues granted to a provider for improving or enhancing its program shall not be offset. The following sources of revenue shall be offset:
- 1) Revenues from government-funded school breakfast and lunch programs must be offset against the cost of meals.
 - 2) Revenues from the rental of portions of the provider's building must be offset against property costs.
 - 3) Revenues from unrestricted investments must be offset against interest costs; revenues from unrestricted investments exceeding interest expenses need not be offset.
 - 4) Revenues from local educational agencies for diagnostic services.
 - 5) Revenues from workshop programs must be offset against the cost of those programs in whichever of the components listed in this subsection (b) they were reported.
 - 6) Revenues for special education, related services, and room and board, insofar as any income not related to a specific client is received from any governmental state or federal agency.

- 7) A gain on a sale of an asset, in which the State has any monetary interest, shall be offset against the cost center in which the asset was reported.
 - A) The total offset taken shall not exceed the State's interest in the asset.
 - B) The offset shall not be applied against other cost centers unless an expense allocation has been made to more than one cost center.
 - C) An offset schedule shall be developed any time a single-year offset creates a financial difficulty for the provider. The length of an offset schedule shall not exceed the length of the original expense schedule (depreciation) as reported to the Board on the annual cost report or certified audit.

- 8) Fees paid by any governmental agency for specific client services in addition to the per diem cost approved by the Board, insofar as the fees are for services included in program costs reported to the Board. The Board may waive the offset if the provider stops charging these fees and there is documentation with respect to the necessity for specific client services from the State agency that is responsible for program approval or that purchases services from the provider.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.322 Allowable Costs

- a) The definitions used in the determination of allowable costs shall be in accordance with Sections 14-1.08 and 14-7.02 of the School Code [105 ILCS 5/14-1.08 and 14-7.02] and applicable rules governing educational services to children with disabilities, including 23 Ill. Adm. Code 226 and 401. The following shall be considered allowable costs, except as excluded pursuant to Section 900.321 of this Part:
- 1) Salaries, wages and fringe benefits for qualified staff and fees for consultants involved in the direct planning and delivery of classroom educational services, including teachers, teacher aides, and the supplies and overhead costs necessary to carry out these activities.
 - 2) Salaries, wages and fringe benefits for qualified staff and fees for consultants involved in the direct delivery of program-related services, including: speech and language clinicians; audiologists; occupational therapists; social workers; counselors; psychologists; recreation workers; vocational training personnel; and school health services personnel; and the supplies and overhead costs necessary to carry out these activities.
 - 3) Salaries, wages and fringe benefits for qualified staff and fees for consultants involved in the direct delivery of residential care services, including habilitation/child care workers and the supplies and overhead costs necessary to carry out these activities.
 - 4) Food and dietary, transportation and other costs essential to the program.
- b) For those providers whose cost reports to other agencies are used by the Board, the definition of allowable costs used by the agency that collected the original report will be considered.
- c) The manner in which allowable costs are assigned to residential and education cost centers will be subject to review and adjustment by the Board to ensure that costs are allocated in accordance with applicable requirements. The Board may assign all costs other than the cost of instructional services to the residential cost center for Medicaid-eligible, hospital, psychiatric care, or juvenile correctional programs or when reported costs are not assigned to education or residential cost centers.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.330 Reasonable Cost Provisions

- a) Only reasonable costs that are necessary for the accomplishment of program goals and objectives shall be allowable. A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent buyer under the circumstances prevailing at the time the decision was made to incur the costs. Accordingly, the Board shall seek to approve expenditures for goods and services at a cost that is as low as possible without sacrificing the quality of goods or services received. Parameters for frequently incurred costs, including staffing costs, will be developed by the Board based on analysis of regional variations in costs for comparable services.
 - 1) In determining allowable costs for new programs (i.e., those without audited historical cost data), the Board will consider the special education and related services that will be required in response to the unique characteristics of the children to be served.
 - 2) For new residential programs, allowable costs may be determined based on costs approved by another child care agency of the State of Illinois.
- b) Reasonable cost ceilings for support, administration and occupancy costs shall be determined as follows:
 - 1) All providers will be grouped by type of program offered on the basis of actual costs for support, administration, and occupancy of facilities. Allowable costs for support, administration and occupancy utilize a cost range ceiling of 125% of the median as a reasonable upper limit.
 - 2) For a private for-profit provider, reimbursement will be allowable at 115% of the median cost for support, administration and the physical plant operation and maintenance portion of the occupancy costs for all facilities where a similar type of program is offered. When actual costs exceed 115% of these medians, a cost ceiling of 125% of these medians will be utilized.
 - 3) Calculation of median costs for the coming rate year will be based on cost reports received prior to April 15. Cost reports not received prior to April 15 may be included in the median calculation using the prior year's cost report, adjusted for inflation, as established by the Board.
- c) Reported costs will be updated for inflation experienced and projected for the time between the period covered on the cost report and the middle of the current

school year. The Board will develop an appropriate index for inflation factors each year using the component method to update costs of programs for the same time periods.

- d) Allowable costs approved by the Illinois Purchased Care Review Board for any nonpublic school program or segment thereof shall not exceed the allowable costs for that program approved by any other Illinois State agency for the same program or program segment.
- e) Each Illinois State agency that approves room and board rates for nonpublic providers shall notify the Illinois Purchased Care Review Board of the approved rate for each nonpublic program receiving funding subject to Section 14-7.02 of the School Code.
- f) The Board may use as bases for allowable costs those costs reimbursed by the state in which a provider's facility is located. These may, however, be adapted to meet known differences in cost determination methodologies. The Board may waive allowable cost provisions for a provider's out-of-state program or programs. Circumstances that would lead the Board to waive allowable cost provisions include but are not limited to the following:
 - 1) Fewer than six Illinois children are served by the program or programs;
 - 2) The out-of-state provider submits a substitute cost report as prescribed by the Board and/or the provider requests that the Board adopt the official rate of another state or local governmental agency;
 - 3) The out-of-state provider will only provide treatment services at a non-negotiable or stated cost and the treatment services are not available in other settings;
 - 4) The placement of a child in the out-of-state program is the result of a court order.
- g) Per-student allowable costs shall be determined in the following manner:
 - 1) Per-student allowable costs for room and board will be determined on the basis of actual enrollment or 90% of licensed capacity, whichever is larger.
 - 2) Per-student allowable education costs shall be determined on the basis of program enrollment, as reported by the provider and verified by the

Illinois State Board of Education. Such verification shall be based on the total reimbursement days claimed by all school districts for each program. In the event of a discrepancy between the enrollment reported by the provider and the enrollment reported by the Illinois State Board of Education, the higher enrollment figure shall be used in determining the per-student allowable education cost, except as provided for in Section 900.342(a)(6) of this Part.

- h) Cost determination for an out-of-state public school program shall be made on the basis of documented prior costs or the operating budget for the public program.
 - 1) Cost information shall be reported annually by an authority representing the out-of-state public school district or other public entity operating the program.
 - 2) Additional information such as enrollment, school calendar, weighting factors, or budget detail may be required if such information is not included with the cost information submitted for review.
 - 3) Any increase in the actual costs of a program, determined after the original cost determination, shall be submitted to the Board in the form of an appeal, to be approved by the Board prior to payment being made by any Illinois school district. Only appeals that address changes in the current school year shall be considered.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.331 Reimbursement for Allowable Costs

- a) Reimbursement shall be made on the basis of days of enrollment in a program at a nonpublic school approved by the Illinois State Board of Education.
- b) Reimbursement to the school district shall be made on the basis of allowable costs approved by the Illinois Purchased Care Review Board, subject to appropriation.
- c) Terms of enrollment shall be as contracted for by the school district.
- d) The Illinois State Board of Education will reimburse for room and board payments only when no other State agency is involved in the placement of the child. (See Sections 14-7.02 and 14-8.01 of the School Code [105 ILCS 5/14-7.02 and 14-8.01].)
- e) A school district shall receive no reimbursement for any portion of an established rate that has been covered by a third-party payor.
- f) Other State agencies may reimburse for costs that are otherwise nonreimbursable, but their responsibility for so doing shall be limited by their own rules and procedures regarding such payments. To the extent no other State agency has responsibility for these costs, parents or other responsible parties will be assumed to have accepted responsibility for these costs. In no event shall state agencies, parents or other parties be allowed to pay for special education, related services and room and board fees in excess of those determined allowable by the Board for a child placed only by a local school district. Any such payments made by other than the Illinois State Board of Education for a child placed only by the local school district would be used to offset the allowable costs for special education, related services and/or room and board approved by the Board for that particular student.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.340 Notice and Filing of Appeal

Providers will be informed in writing of the allowable costs for their services. Appeals of allowable costs shall be limited to the circumstances described in Section 900.342 of this Part and shall be submitted in writing within 60 days after the postmark date of the notice.

Thereafter, an appeal shall be considered only when submitted within 30 days after the provider becomes aware that one of the circumstances described in Section 900.342 of this Part has arisen, as documented by the affected provider. Upon a provider's written request, the Board shall provide in writing a detailed cost calculation including a description of each cost amount disallowed. No adjustment to allowable costs shall be made with respect to any prior school year.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.341 Principles of Appeals Process

The appeals process is designed to allow a provider to petition for an increase in its allowable costs in response to circumstances which are beyond the control of the provider which have an impact upon current operating costs and were not included in the Board's determination of the current allowable costs. Appeals must be in response to a condition or situation which has occurred and for which monies have been expended or a debt incurred except where the requirements set forth in Section 900.344 are satisfied.

(Source: Amended at 5 Ill. Reg. 5633, effective May 15, 1981)

Section 900.342 Basis for Appeals

- a) The Board can grant an increase in allowable costs for any of the following reasons:
- 1) There has been an extraordinary increase in program operating costs that is beyond the reasonable control of the provider and substantially threatens the educational program's financial viability.
 - 2) Mechanical or clerical errors were committed by the provider or the Board as depicted on required cost reports and in the rate calculation process used by the Board in determination of allowable costs.
 - 3) Statutory or regulatory requirements of any governmental agency have generated or will generate a substantial increase in allowable costs during the current cost reporting period.
 - 4) There has been or will be an extraordinary decrease in program revenues or in external funding, subsidies, grants, gifts, or donations which constitute a substantial portion of the funding for the core functions of the provider's program to the extent that such revenues were considered available when the Board approved the allowable costs for the provider.
 - 5) A substantial program change has been or will be undertaken, resulting in a substantial increase in costs. Each appeal must contain documentation with respect to the necessity of these program costs.
 - 6) A provider believes a significant discrepancy exists between its enrollment figures as submitted and the enrollment figures determined by the State Board of Education. The provider may resolve the discrepancy with the appropriate local school districts and appeal the initial per-student allowable cost determination. Such an appeal will only be considered where the local school districts amend their enrollment figures with the State Board of Education.
- b) If a provider elects not to submit costs to the Board for approval because the tuition charge for special education and related services has not increased by more than 10% over the prior school year and does not exceed \$4500 per year, the provider may not then submit its costs for review after the beginning of the school year. Such costs will not be approved by the Board. Any provider electing to submit a cost report used for allowable cost determination may not revert to this provision in subsequent years.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.343 Effective Dates of Rates Changed on Appeal

When the Board changes a rate of reimbursement as a result of an appeal, it shall determine the effective date of the change as part of its final decision on the appeal. In determining the effective date of a rate changed on appeal, the Board shall, to the extent possible, consider information regarding the dates on which relevant changes or events began to affect the provider's costs for providing services. No adjustment to allowable costs shall be made with respect to any prior school year.

- a) In no case shall the effective date of any rate change be prior to the date on which the program was approved or prior to the first day of the school year in which the appeal is received.
- b) The Board shall not change a rate of tuition reimbursement applicable to a particular school year later than its first meeting in the month of July following the end of the regular school term.
- c) For room and board rates involving the coordination of rates with other states or other Illinois State agencies, the Board may change the applicable rate for the school year no later than its first meeting in the month of August following the end of the regular school term.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.344 Conditional Increases

The Board will grant a conditional increase prior to the occurrence of the reason for the appeal if that reason conforms to the provisions of Section 900.342(a)(3), (a)(4) or (a)(5) of this Part, as appropriate, and if the projected increase in cost is predictable both as to effective date and amount. An appeal requesting this conditional increase will be considered if it conforms to the provisions of Section 900.345 of this Part. Within 45 days after the effective date of an increase under this Section, or after notification of an increase, whichever is later, the provider must submit documentation that the costs upon which the appeal is based have occurred. Upon receipt of the documentation within the required period, the allowable costs approved under the conditional increase shall be reaffirmed as allowable costs. If adequate documentation is not received within the prescribed period, the Board will reaffirm the prior allowable costs as of the effective date of the costs approved under the conditional increase.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.345 Procedure for Filing Appeals

- a) An appeal for an increase in allowable costs shall be submitted in writing to Illinois Purchased Care Review Board and shall, to the extent applicable, contain the following:
 - 1) The name and address of the provider.
 - 2) The current, approved allowable costs and the allowable costs sought pursuant to the appeal.
 - 3) A clear, concise statement of the reasons for the appeal, the requested effective date of the increased allowable costs which are sought, and the reasons for this effective date.
 - 4) A detailed statement of financial, statistical and related information in support of the appeal which indicates the relationship between the additional costs submitted and the change of circumstances or other reasons for the higher costs.
 - 5) Documentation of any statutory, regulatory, or contractual requirement pertinent to the appeal.
 - 6) In the case of appeals based on Section 900.342(a)(3), (a)(4) or (a)(5) of this Part, a written statement secured by the provider from the governmental agency that purchases services from the provider that the governmental agency considers the costs claimed in the application for administrative adjustment to be warranted.
 - 7) Certification by either the chief executive officer or the financial officer of the provider that the application and all information reports, schedules, budgets, books and records submitted are true, correct and accurate. False certification shall be subject to whatever penalties are appropriate under the criminal statutes of the State of Illinois.
- b) No appeal can be acted upon unless the provider has filed an attested cost report in accordance with Section 900.320(a) of this Part. Attested reports from more recently completed fiscal years may also be considered in an appeal, as may other relevant documents.
- c) Documentation submitted in support of the appeal, but subsequent to filing of the appeal, shall contain the certification described in Section 900.342 of this Part.

- d) Any appeal under this Section shall contain sufficient information to permit the Board to translate the expenditures giving rise to the appeal into reimbursable allowable costs. The provider shall provide any other information, books and records that the Board may reasonably request. If the provider fails to provide such information, books and records within 45 days after a request, the application will be rejected.
- e) The Board shall process an appeal filed in accordance with this Section within 90 days after receiving it except that, if the Board requests additional information, the response period shall be extended by the amount of time taken in providing that information. The Board may delay an appeal decision beyond 90 days at the request of the affected provider.

(Source: Amended at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.346 Review by Appeals Committee (Repealed)

(Source: Repealed at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.347 Review by Board (Repealed)

(Source: Repealed at 28 Ill. Reg. 7242, effective May 5, 2004)

Section 900.348 Final Decision of Board

The Board decision shall constitute final action on the appeal. Decisions of the Board shall be made within 120 days of receipt of the appeal, except that, if the Board requests additional information, the period shall be extended by the time taken in providing that information. In the case of an extension, the Board shall act on the appeal at the next regular meeting following the receipt of the additional information. In no case can an increase in allowable costs be granted on appeal when the appeal is delayed into the appellant's next rate year.

(Source: Amended at 16 Ill. Reg. 5311, effective March 23, 1992)

Section 900.349 Mathematical and Clerical Errors in Calculation

If, after the allowable cost determination, Board staff determines that there was an error in the calculation of allowable costs that resulted in a determination that was higher or lower than justified, an adjustment will be considered pursuant to the following procedures:

- a) The matter will be brought to the attention of the Board.
- b) The Board will review the matter and transmit any revised determination of allowable costs to the facility.
- c) The facility will have three (3) weeks from date of receipt of the revised determination to respond in writing to the Board.
- d) After reviewing the facility's response, the Board will make a final decision concerning the facility's allowable costs. It will also determine the effective date of any revisions.
- e) The facility may appeal the revised allowable cost determination pursuant to the provisions of Sections 900.340 - 900.348.

(Source: Amended at 5 Ill. Reg. 5633, effective May 15, 1981)

Section 900.351 Factors in Evaluating Appeals (Repealed)

(Source: Repealed at 28 Ill. Reg. 7242, effective May 5, 2004)